



Catherine E. Pugh
Mayor

**COMMISSION FOR
HISTORICAL & ARCHITECTURAL
PRESERVATION**

Tom Liebel, Chairman

STAFF REPORT



Thomas J. Stosur
Director

August 14, 2018

REQUEST: Demolition Hearing II: Determination of Substantial Hardship

ADDRESS: 719- 723 West Pratt Street (Ridgely's Delight Historic District)

RECOMMENDATION:

STAFF: Walter Edward Leon

PETITIONER: Zalco Properties (Yonah Zahler)

OWNER: University of Maryland Medical Center

SITE/HISTORIC DISTRICT: The site is located on the northern border of the Ridgely Delight historic district. The Ridgely's Delight Historic District is a wedge shaped residential neighborhood just south of the University of Maryland downtown campus. It is generally bounded by Pratt Street, Russell Street, and Martin Luther King Boulevard. The residences are both two and three stories high with flat facades with ornamentation only to emphasize doors, windows, and rooflines and range in size from near-mansions to alley housing. Among the earliest houses are those set back from the street and a single surviving frame house on Melvin Drive. Many of the buildings on Washington Boulevard feature commercial storefronts, and a few industrial buildings are extant within the boundaries of the district. The industrial and main buildings range from the mid-19th century to the mid-20th century.

Ridgely's Delight is architecturally significant in that it embodies excellent examples of traditional rowhouse architecture and industrial/manufacturing buildings. The make-up of the community has reflected the character of nearby nineteenth century employment centers, such as the University of Maryland Hospital, the B&O Railroad Yards, and Bartlett and Hayward Ironworks. Ridgely's Delight has always been a socially and economically mixed use neighborhood with both blue collar employees of local industries and professionals, such as the doctors and dentists employed at the University of Maryland's medical facilities. The district's residential structures represent the first phase of development for Baltimore's rowhouses, as well as later versions for working, middle and upper class residents. The unusual street pattern of Ridgely's Delight produces an intimate human scale, fine vistas and irregular building sites and structures.

BACKGROUND –This project includes four lots known as 715-717 W. Pratt Street (two-story garage), 719-721 W. Pratt Street (one-story garage), 723-725 W. Pratt Street (four-story building), and 727-729 W. Pratt Street (vacant lot).

715-17, 718-21 and 727-29 W. Pratt Street are owned by the State of Maryland (for use of the University System) since 2000-2002. 723-725 W. Pratt Street is owned by the University of Maryland Medical System Corporation, a non-state entity since 1997.

715-17 W. Pratt Street was condemned in 1999. 719-21 there are no recorded building history. 723-725 W. Pratt Street (four-story structure) was repaired in 2011 where the owner rebuilt the Dover Street façade. A one-story garage was demolished at 727-729 between 2014 and 2015.

The Commission has reviewed two items for this project:

- March 2018 was the request to Demolish 723 West Pratt Street. Commission denied the request.
- July 2018 was the request to demolish 719 and 721 West Pratt Street. The Commission denied the request.

More than 18 months ago, Zalco Properties were approached by the Neighborhood Association to see if they would pursue obtaining and redeveloping these four lots. In April 2018, Zalco Properties contracted to purchase these properties from the State of Maryland and the University of Maryland Medical System Corporation. The sale is contingent upon selling ALL properties which will then be consolidated and developed. The purchase price for the properties is \$975,000.

PROPOSAL- Demolition Hearing II– Determination of Substantial Hardship – Incorporate Portions of 717, 719 & 725 West Pratt Street into a New Six-Story Building. The facades of 717 and 719 W. Pratt Street will be retained and incorporated into the first floor design of the new building. Approximately 25% of 723-725 W. Pratt Street will incorporated into a new 50-unit, six-story apartment building.

APPLICATION OF GUIDELINES AND ANALYSIS

CHAP staff applied the Demolition Procedures as well as guidelines for new construction. Since the applicant proposes to incorporate portions of the building into a new development project, staff believes that looking at the height massing and scale of the project along with the feasibility of preserving the project must go together.

For the incorporation of 715 and 719 W. Pratt Street facades staff has followed the direction of the Commission at the July hearing and have determined that demolition of all portions of the building except the facades would have no negative impact to the historic character of the neighborhood. In other words, only the front facades of these buildings have historic significance.

As for the building known as 723-725 W. Pratt Street, staff has looked at the feasibility of retaining all the building several different ways.

First, we looked at the difference of costs of preserving the whole building to retaining only 25% of the structure (See the two excel spreadsheets). Zalco properties determined that it would cost 1.4 million more to preserve the whole building. The cost comparisons also concluded that the NOI between the 9/7% to retain and 7.5% if only 25% of the building was retained. Commission French reviewed these numbers and suggested we receive more information to make the best assessment OR we review the project more simply.

Secondly, to make the argument simpler, Commissioner French suggested that Zalco Properties look at the feasibility of rehabbing 723-725 as a stand-alone project. Zalco responded with the following message:

The stand-alone building is not a feasible development. Here is the reason and the numbers why... 24' x 127' is the actual dimensions of the building interior, both side walls of the property are on other property lot lines which does not allow us to have any side windows. The front windows and the back windows is all that you would have to use. This reality would leave you with two units per floor x 3 stories above first floor lobby. That is 6 units. The purchase price for the property is 410,000 which is 68,333 per unit for the land cost. I usually build with 16,000 per unit land cost. In addition to the expensive per unit cost, we then need to consider stair towers and an elevator tower within the building by code, thus making the units that you would have even smaller. I have attached the AS IS drawings to show you the narrow space of the historic building. We feel we can try work with a portion of the building and try to incorporate the two garage facades into a one complete apartment project, keeping the historic character but creating a new structure.

The applicant's answer is very simple but compelling: The building can only accommodate six units because the middle sections of the building cannot have windows because of code. That means landcosts is \$68,000 per unit. The land costs per unit for a 50-unit building on all four lots is approximately \$20,000.

Third, Zalco Properties has a contract to purchase ALL the lots or none of the lots.

CHAP staff has observed the following:

- 723-725 W. Pratt Street has been vacant since 1997,
- Dover Street façade has been reconstructed in 2011,
- Building Code does not allow for the introduction of windows on the side elevations (greatly reducing the number of units),
- the developer does not have the option to rehab the property as a stand-alone development,
- The applicant has provided proformas comparing the costs of saving the whole building vs. 25% of the structure, and
- The landcosts of a stand-alone building prohibits a development project.

Therefore staff recommends approval of demolishing a large portion of the building and incorporating a portion into a larger project.

In addition, CHAP staff recommends incorporating the facades of 717 and 719 W. Pratt Street into a six-story, 50-unit structure.

In addition, the current massing study provides a large setback on the Dover Street elevation, which respects the scale of the street. W. Pratt Street scale of a busy east/west corridor in downtown Baltimore is framed by taller 4-8 story buildings interspersed with smaller buildings. The siting, massing, and height of the proposed building meets CHAP's guidelines.

NEIGHBORHOOD COMMENTS

The Ridgley's Delight ARC was notified of this proposal and ARE in opposition of the project.

RECOMMENDATION: Approval of preserving and incorporating only the facades of 717 and 719 W. Pratt Street and 25% of 725 W. Pratt Street into a six-story, 50-unit apartment building. The applicant is to come back to the full commission for review and approval for the massing and design of a six-story structure.

**Eric L. Holcomb
Executive Director**

Site Map- Historic District







